Registered number: 10167296

U AND I (8AE) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

COMPANY INFORMATION

Directors	M S Weiner R Upton M O Shepherd J S Hesketh
Company secretary	C J Barton
Registered number	10167296
Registered office	7a Howick Place London SW1P 1DZ
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London SE1 2RT

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STRATEGIC REPORT
FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

Business review, principal activities and future developments

The principal activity of the company during the period and for the foreseeable future is that of property development and trading company. The Directors do not foresee any changes in the future activities of the company.

The loss for the 13 month period ended 31 March 2019, after taxation, amounted to £757,584 (year ended 28 February 2018: £479,847).

The Directors are unable to recommend the payment of a dividend ((year ended 28 February 2018: £NIL).

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The company is a member of the U and I Group PLC group of companies. Further discussion of the risks and uncertainties, in the context of the group as a whole, is provided in the group's annual report which does not form part of this report.

Financial key performance indicators (KPIs)

The Directors of U and I Group PLC manage the group's operations on a group basis. For this reason, the company's Directors believe that an analysis using KPIs for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company. The development, performance and position of the group is discussed in the group's annual report which does not form part of this report.

This report was approved by the board on 16 October 2019 and signed by its order.

C J Barton
Company secretary

DIRECTORS' REPORT
FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

During the period, the company changed its accounting reference date from 28 February to 31 March 2019 and the Directors present their report and audited financial statements for the thirteen month period to 31 March 2019, comparatives are for twelve months from 1 March 2017 to 28 February 2018.

Results and dividends

The loss for the 13 month period ended 31 March 2019, after taxation, amounted to £757,584 *(year ended 28 February 2018: £479,847).*

The Directors are unable to recommend the payment of a dividend (year ended 28 February 2018: £NIL).

Details of the business review and future developments of the company are discussed in the Strategic report on page 1.

Directors

The Directors who served during the period and up to the date of the signing of these financial statements were:

M S Weiner
R Upton
M O Shepherd
J S Hesketh

Qualifying third party indemnity provisions

The company maintains Directors' and officers' liability insurance, which is reviewed annually and is considered to be adequately insured. Such qualifying third party indemnity provisions were in place during the period and remain in place at the date of approving the Directors' report.

Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company U and I Group PLC. The Directors have received confirmation that for the foreseeable future, U and I Group PLC intends to support the company such that it can meet its liabilities as they fall due.

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

DIRECTORS' REPORT (CONTINUED)
FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 16 October 2019 and signed by its order.

C J Barton
Company secretary

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

The Directors are responsible for preparing the Strategic report, the Directors' report and the audited financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare audited financial statements for each financial year. Under that law the Directors have elected to prepare the audited financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the audited financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these audited financial statements, the Directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of U and I (8AE) Limited

Report on the audit of the financial statements

Opinion

In our opinion, U and I (8AE) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its loss for the 13 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2019; the statement of Comprehensive Income, the Statement of Changes in Equity for the 13 month period ended 31 March 2019; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 31 March 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement for the 13 month period ended 31 March 2019 set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sandra Dowling (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 October 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

	Note	13 month period ended 31 March 2019 £	*Year ended 28 February 2018 £*
Turnover	4	**13,233**	*13,950*
Cost of sales		**(56,900)**	-
Gross (loss)/profit		**(43,667)**	*13,950*
Administrative expenses		**(713,917)**	*(493,797)*
Operating loss	5	**(757,584)**	*(479,847)*
Tax on loss	7	-	-
Loss for the financial period/year		**(757,584)**	*(479,847)*

There were no recognised gains and losses for the 13 month period ended 31 March 2019 or for the year ended 28 February 2018 other than those included in the Statement of comprehensive income.

There was no other comprehensive income for the 13 month period ended 31 March 2019 (year ended 28 February 2018: £NIL).

All amounts relate to continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

BALANCE SHEET
AS AT 31 MARCH 2019

	Note		31 March 2019 £		28 February 2018 £
Current assets					
Stocks		**7,909,942**		*5,750,010*	
Debtors	9	**13,078**		*126,865*	
Cash at bank and in hand		**4,345**		*-*	
		7,927,365		*5,876,875*	
Creditors: amounts falling due within one year	10	**(9,562,351)**		*(6,754,277)*	
Net current liabilities			**(1,634,986)**		*(877,402)*
Total assets less current liabilities			**(1,634,986)**		*(877,402)*
Net liabilities			**(1,634,986)**		*(877,402)*
Capital and reserves					
Called up share capital	11		**2**		*2*
Retained earnings			**(1,634,988)**		*(877,404)*
Total debt			**(1,634,986)**		*(877,402)*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 October 2019.

M O Shepherd
Director

The notes on pages 10 to 15 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE 13 MONTH PERIOD ENDED 31 MARCH 2019

	Called up share capital	Retained earnings	Total debt
	£	£	£
At 1 March 2017	2	(397,557)	(397,555)
Comprehensive expense for the year			
Loss for the year	-	(479,847)	(479,847)
Total comprehensive expense for the year	-	(479,847)	(479,847)
At 31 March 2018	2	(877,404)	(877,402)
Comprehensive expense for the period			
Loss for the period	-	(757,584)	(757,584)
At 31 March 2019	2	(1,634,988)	(1,634,986)

The notes on pages 10 to 15 form part of these financial statements.

1. General information

U and I (8AE) Limited is a property development company. The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is 7A Howick Place, London, SW1P 1DZ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company U and I Group PLC. The Directors have received confirmation that for the foreseeable future, U and I Group PLC intends to support the company such that it can meet its liabilities as they fall due.

2.3 Exemptions for qualifying entities under FRS 102

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, U and I Group PLC, includes the company's cash flows in its own consolidated financial statements.

This company discloses transactions with related parties which are not wholly owned within the U and I Group PLC group. It does not disclose transactions with members of the U and I Group PLC group that are wholly owned.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes.

Turnover for the year comprises rental income, which is recognised on an accrued straight-line basis over the term of the lease when the income has been earned. Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at inception of the lease, the Directors are reasonably certain that the tenant will exercise that option. Lease incentives are usually in the form of rent-free periods or capital contributions.

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.6 Stocks

Work in progress, comprising developments, are carried as stocks and stated a lower of cost and fair value less costs to sell. Cost includes directly attributable expenditure and interest. The company has capitalised certain internal staff costs directly attributable to the development schemes. Staff costs capitalised are estimated with reference to the time spent on the project during the period. Where the Directors consider that the costs are not recoverable from the sale or development of the asset, the project or site is written down to its net realisable value, with the write down taken to the income statement. Fair value less costs to sell is calculated as the estimated value of the project or site, based upon our current plans, less all further costs to be incurred in making the sale.

2.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to and from group undertakings.

Financial assets
Cash and cash equivalents – Cash comprises cash in hand and on-demand deposits less overdrafts. Cash equivalents comprise short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade debtors – Trade debtors are recognised at the original transaction value and subsequently measured at amortised cost. A provision for impairment is established where there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables concerned.

Trade creditors – Trade creditors are recognised at the original transaction value and subsequently measured at amortised cost.

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the company's accounting policies. Not all of these accounting policies require management to make difficult, subjective or complex judgements or estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates. The following is intended to provide an understanding of the policies that management consider critical because of the level of complexity, judgement or estimation involved in their application and their impact on the financial statements.

Stocks
The company is required to estimate when there is sufficient objective evidence to require the impairment of stocks carrying value. Work in progress, comprising developments, are carried as stocks and stated a lower of cost and fair value less costs to sell. Cost includes directly attributable expenditure and interest. The company has capitalised certain internal staff costs directly attributable to the development schemes. Staff costs capitalised are estimated with reference to the time spent on the project during the period. Where the Directors consider that the costs are not recoverable from the sale or development of the asset, the project or site is written down to its net realisable value, with the write down taken to the income statement. Fair value less costs to sell is calculated as the estimated value of the project or site, based upon our current plans, less all further costs to be incurred in making the sale.

Debtors
The company is required to estimate when there is sufficient objective evidence to require the impairment of individual debtors. It does this on the basis of the age of the relevant receivables, external evidence of the credit status of the debtor entity and the nature of any disputed amounts.

4. Turnover

An analysis of turnover by class of business is as follows:

	13 month period ended 31 March 2019 £	*Year ended 28 February 2018 £*
Rental income	**13,233**	*13,950*
	13,233	*13,950*

All turnover arose within the United Kingdom.

5. Operating loss

The operating loss is stated after charging:

The auditors' remuneration for the statutory audit of the company of £1,500 (year ended 28 February 2018: £3,000) has been borne by U and I Group PLC, the ultimate parent company.

6. Employees

The company has no employees other than the Directors (year ended 28 February 2018: none). Their remuneration, including pension costs, is not borne directly by the company but by U and I Group PLC. The entity has been recharged its share of overhead expenses, totalling £713,150 (year ended 28 February 2018: £493,797).

7. Taxation

There is no tax charge for the current period (year ended 28 February 2018: £NIL).

	13 month period ended 31 March 2019 £	*Year ended 28 February 2018 £*
Current tax for the period/year	-	-
Total current tax	-	-

7. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period is higher than *(year ended 28 February 2018: higher than)* the standard rate of corporation tax in the UK of 19.0% *(year ended 28 February 2018 - 19.1%)*. The differences are explained below:

	13 month period ended 31 March 2019 £	*Year ended 28 February 2018 £*
Operating loss before tax	**(757,584)**	*(479,847)*
Operating loss before tax multiplied by standard rate of corporation tax in the UK of 19.0% (year ended 28 February 2018: 19.1%)	**(143,941)**	*(91,651)*
Effects of:		
Group relief surrendered for nil consideration	**143,941**	*91,651*
Total tax charge for the period/year	**-**	*-*

Factors that may affect future tax charges

As part of the Finance (No. 2) Bill 2017, published on 20 March 2017, the UK government confirmed its intention to reduce the main rate of UK Corporation Tax to 17% by 2020. There were no changes to this announcement within the Finance Act 2019 which received Royal Assent on 12 February 2019.

8. Stocks

	31 March 2019 £	*28 February 2018 £*
At the beginning of the period/year	**5,750,010**	*2,924,869*
Additions	**1,970,578**	*2,825,141*
Staff costs capitalised (see note below)	**189,354**	*-*
	7,909,942	*5,750,010*

From 1 March 2018, the company has capitalised certain internal staff costs directly attributable to the development schemes. Staff costs capitalised are estimated with reference to the time spent on the project during the period.

9. Debtors

	31 March 2019 £	*28 February 2018 £*
Trade debtors	**960**	*14,130*
Other debtors	**12,118**	*112,735*
	13,078	*126,865*

10. Creditors: Amounts falling due within one year

	31 March 2019 £	*28 February 2018 £*
Trade creditors	**-**	*257,317*
Amounts owed to group undertakings	**8,592,761**	*5,922,027*
Accruals	**969,590**	*574,933*
	9,562,351	*6,754,277*

The amounts owed to group undertakings are interest free, unsecured and repayable on demand.

11. Called up share capital

	31 March 2019 £	*28 February 2018 £*
Allotted, called up and fully paid		
1 (28 February 2018: 1) Ordinary "A" share of £1	**1**	*1*
1 (28 February 2018: 1) Ordinary "B" share of £1	**1**	*1*
	2	*2*

12. Controlling party

The immediate parent company is U and I PPP Limited. The ultimate parent controlling company of the largest and smallest group of which U and I (8AE) Limited is a member and for which consolidated financial statements are prepared is U and I Group PLC.

Both companies are incorporated in Great Britain and registered in England and Wales.

Copies of the annual report and financial statements of U and I Group PLC and U and I PPP Limited can be obtained from 7a Howick Place, London SW1P 1DZ.